

## City of San Antonio Veteran-Owned Small Business Preference Program Summary Fact Sheet

- The Veteran-Owned Small Business (VOSB) Preference ordinance, approved by City Council, became effective and applies to solicitations issued after January 15, 2014, and is consistent with the Council's goal of promoting San Antonio veteran-owned small businesses. The performance of the VOSB Preference program will be evaluated regularly and quarterly reports will be provided to City Council.
- Definition of Veteran-Owned Small Business: The program uses the federal definitions of veteran and veteranowned small business found in 38 CFR Part 74. A business asserting that it meets the definition of a VOSB must be included in the database of VOSBs maintained by the U.S. Small Business Administration, or be certified by another public or private entity that uses similar certification procedures.
  - The term "veteran" means a person who served on active duty with the U.S. Army, Air Force, Navy, Marine Corps, Coast Guard, for any length of time and at any place and who was discharged or released under conditions other than dishonorable. Reservists or members of the National Guard called to federal active duty or disabled from a disease or injury incurred or aggravated in line of duty or while in training status also qualify as a veteran.
  - A veteran-owned small business is a business that is not less than 51 percent owned by one or more veterans, or in the case of any publicly owned business, not less than 51 percent of the stock of which is owned by one or more veterans; the management and daily business operations of which are controlled by one or more veterans and qualifies as "small" for Federal business size standard purposes. A veteran owned small business includes a service-disabled veteran owned small business.
- Applicability of preference: Under the City's ordinance, the preference can be applied to procurements of discretionary expenditure and revenue contracts for goods, services, and concessions that exceed \$50,000 in value, where the selection criteria are not limited by state or federal law.
  - Preference: Five percent of the total points used to score a discretionary solicitation to which this policy applies may be awarded to a qualifying VOSB (5 points for a solicitation with a total of 100 available points).
    - These points are awarded to prime contractors meeting the definition of a veteran-owned small business; no points are awarded for subcontractors who are VOSBs. Points are awarded regardless of the location of the VOSB's business.
- Tracking: In order to determine whether the program can be expanded at a later date, the City tracks VOSB participation at both the prime contract and subcontract levels. Tracking is done for all contracts that exceed \$50,000 in value, even for those to which no preference applies.
- The program does not apply to:
  - o Texas Local Government Code Chapter 252 (Low bids and RFCSPs)
  - o Texas Government Code Chapter 2254 (Professional Services)
  - Texas Government Code Chapter 2269 (Alternative Construction Delivery Methods)
  - o Any purchase under \$50,000
- AMENDED Veteran-Owned Small Business Preference Program
  - Effective January 1, 2015
  - Allows for allocation of preference points based upon the percentage of ownership of each Veteran-Owned Small business entity comprising a joint venture responding to discretionary solicitations for which points are applicable.
  - Current applicability and exclusions to program remain in effect